

SENATE AMENDMENTS

2nd Printing

By: Landgraf

H.B. No. 2662

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the Texas Low-Level Radioactive Waste Disposal Compact
3 waste disposal facility.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Sections 401.208(a), (c), and (e), Health and
6 Safety Code, are amended to read as follows:

7 (a) At least once every four years, the [~~The~~] commission
8 shall conduct a study on the available volume and curie capacity of
9 the compact waste disposal facility for the disposal of party state
10 compact waste and nonparty compact waste.

11 (c) The [~~Not later than December 1, 2016, the~~] commission
12 shall submit a final report of the results of the study to the
13 standing committees of the senate and the house of representatives
14 with jurisdiction over the disposal of low-level radioactive waste.

15 (e) The commission may conduct a study described by
16 Subsection (a) at any time [~~after December 1, 2012,~~] if the
17 commission determines that a study is necessary.

18 SECTION 2. The Texas Commission on Environmental Quality
19 shall submit the first report required under Section 401.208,
20 Health and Safety Code, as amended by this Act, not later than
21 December 1, 2020.

22 SECTION 3. This Act takes effect immediately if it receives
23 a vote of two-thirds of all the members elected to each house, as
24 provided by Section 39, Article III, Texas Constitution. If this

H.B. No. 2662

1 Act does not receive the vote necessary for immediate effect, this

2 Act takes effect September 1, 2017.

ADOPTED

MAY 23 2017

Letsy Spaul
Secretary of the Senate

Landgraf Seliger

By: _____

H.B. No. 2662

Substitute the following for H.B. No. 2662:

By: *Seliger*

C.S.-H.B. No. 2662

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the Texas Low-Level Radioactive Waste Disposal Compact
3 waste disposal facility; reducing a surcharge; eliminating a fee.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. (a) Section 401.207(g), Health and Safety Code,
6 is amended to read as follows:

7 (g) The commission shall assess a surcharge for the disposal
8 of nonparty compact waste at the compact waste disposal
9 facility. The surcharge is 10 [~~20~~] percent of the total contracted
10 rate under Section 401.2456 and must be assessed in addition to the
11 total contracted rate under that section.

12 (b) Effective September 1, 2019, Section 401.207(g), Health
13 and Safety Code, is amended to read as follows:

14 (g) The commission shall assess a surcharge for the disposal
15 of nonparty compact waste at the compact waste disposal
16 facility. The surcharge is 20 percent of the total contracted rate
17 under Section 401.2456 and must be assessed in addition to the total
18 contracted rate under that section.

19 SECTION 2. Section 401.208, Health and Safety Code, is
20 amended by amending Subsections (a), (c), and (e) and adding
21 Subsection (a-1) to read as follows:

22 (a) At least once every four years, the [~~The~~] commission
23 shall conduct a study on the available volume and curie capacity of
24 the compact waste disposal facility for the disposal of party state

1 compact waste and nonparty compact waste.

2 (a-1) In order to conduct the study under this section, the
3 commission may require a generator of low-level radioactive waste
4 to provide annually:

5 (1) information reasonably necessary to evaluate the
6 adequacy of the capacity of the compact waste disposal facility as
7 accurately as possible, including the amount in volume and curies
8 that the generator intends to export or dispose of at a facility
9 other than the compact waste disposal facility;

10 (2) the amount in volume and curies of low-level
11 radioactive waste that was stored on-site at the generator's
12 facility in the preceding year; and

13 (3) the length of time waste was stored at the
14 generator's facility.

15 (c) The [Not later than December 1, 2016, the] commission
16 shall submit a final report of the results of the study to the
17 standing committees of the senate and the house of representatives
18 with jurisdiction over the disposal of low-level radioactive waste.

19 (e) The commission may conduct a study described by
20 Subsection (a) at any time [after December 1, 2012,] if the
21 commission determines that a study is necessary.

22 SECTION 3. (a) Section 401.2445, Health and Safety Code, is
23 repealed.

24 (b) Effective September 1, 2019, Subchapter F, Chapter 401,
25 Health and Safety Code, is amended by adding Section 401.2445 to
26 read as follows:

27 Sec. 401.2445. STATE FEE. The compact waste disposal

1 facility license holder each quarter shall transfer to the state
2 general revenue fund five percent of the gross receipts from:

3 (1) compact waste received at the compact waste
4 disposal facility; and

5 (2) any federal facility waste received at a federal
6 facility waste disposal facility licensed under Section 401.216.

7 SECTION 4. Chapter 403, Health and Safety Code, is amended
8 by adding Section 403.0056 to read as follows:

9 Sec. 403.0056. ASSESSMENT OF COMPACT FACILITY BY
10 LEGISLATIVE OVERSIGHT COMMITTEE. (a) In this section, "compact
11 facility" has the meaning assigned by the Texas Low-Level
12 Radioactive Waste Disposal Compact.

13 (b) A legislative oversight committee is created for the
14 purpose of assessing the compact facility.

15 (c) The committee is composed of the following members:

16 (1) the chair of the House Committee on Environmental
17 Regulation;

18 (2) a member of the house of representatives who
19 represents the county in which the compact facility is located;

20 (3) a member of the house of representatives appointed
21 by the speaker of the house of representatives;

22 (4) the chair of the Senate Committee on Natural
23 Resources and Economic Development;

24 (5) a member of the senate who represents the county in
25 which the compact facility is located;

26 (6) a member of the senate appointed by the lieutenant
27 governor;

1 (7) the chair of the commission; and

2 (8) a person appointed by each nonhost party state as
3 provided by the laws of that state.

4 (d) The chair of the House Committee on Environmental
5 Regulation and the chair of the Senate Committee on Natural
6 Resources and Economic Development shall serve as co-chairs.

7 (e) An appointed member of the committee serves at the
8 pleasure of the appointing official.

9 (f) The committee shall consider and make recommendations
10 regarding:

11 (1) the annual fixed costs incurred by the operator of
12 the compact facility;

13 (2) the party state compact waste disposal fees
14 established in rule by the Texas Commission on Environmental
15 Quality in accordance with Section 401.245;

16 (3) the contract review process as carried out by the
17 Texas Commission on Environmental Quality;

18 (4) the relationship between the state, party state
19 generators, and operator as it relates to the operation of the
20 compact facility;

21 (5) the contingency plan required under the Texas
22 Low-Level Radioactive Waste Disposal Compact;

23 (6) the need for and effects of fees and surcharges
24 assessed for disposal of waste in the compact facility, including
25 the fees and surcharges assessed under the following sections:

26 (A) Section 401.052(b)(5);

27 (B) Section 401.207(g);

1 (C) Section 401.245; and

2 (D) Section 401.246(a)(6);

3 (7) the cost of a state-run compact facility and the
4 effect a state-run facility would have on rates and generators in
5 compact states; and

6 (8) any other matters the committee determines are
7 relevant to the compact facility and oversight of the compact
8 facility.

9 (g) The committee may request reports and other information
10 from the commission and the Texas Commission on Environmental
11 Quality as necessary to carry out this section.

12 (h) Not later than December 1, 2018, the committee shall
13 submit a final report of the results of the assessment to the
14 committees of the senate and the house of representatives with
15 jurisdiction over the disposal of low-level radioactive waste.

16 (i) The committee is abolished and this section expires
17 December 31, 2018.

18 SECTION 5. The Texas Commission on Environmental Quality
19 shall submit the first report required under Section 401.208,
20 Health and Safety Code, as amended by this Act, not later than
21 December 1, 2020.

22 SECTION 6. This Act takes effect immediately if it receives
23 a vote of two-thirds of all the members elected to each house, as
24 provided by Section 39, Article III, Texas Constitution. If this
25 Act does not receive the vote necessary for immediate effect, this
26 Act takes effect September 1, 2017.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 23, 2017

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2662 by Landgraf (Relating to the Texas Low-Level Radioactive Waste Disposal Compact waste disposal facility; reducing a surcharge; eliminating a fee.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2662, As Passed 2nd House: an impact of \$0 through the biennium ending August 31, 2019. In addition, the bill would have a positive, but indeterminate, fiscal impact due to the lack of information regarding future gross receipts from compact and federal waste.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from Environmental Rad & Perpetual Care 5158
2018	(\$750,000)
2019	(\$750,000)
2020	\$0
2021	\$0
2022	\$0

Fiscal Analysis

The bill would amend Texas Health and Safety Code, Chapter 401 to reduce the surcharge for nonparty compact waste disposal from 20 percent of the total contracted rate to 10 percent for the 2018-19 biennium; the rate would be increased back to 20 percent at the beginning of fiscal year 2020. A study conducted by the Texas Commission on Environmental Quality (TCEQ) would be required at least once every four years on the available volume and curie capacity of the compact waste disposal facility; current law required the same one-time study to be completed before December 1, 2016. The bill would require TCEQ to submit the first report required by the bill not later than December 1, 2020. The bill would require that 5 percent of the gross receipts from compact waste and from any future federal facility waste be deposited to the credit of the General Revenue Fund each quarter, beginning in fiscal year 2020.

The bill would amend Texas Health and Safety Code, Chapter 403 by creating a legislative oversight committee that would be required to consider and make recommendations regarding the operations and costs of the facility and the need for, and effects of, surcharges and fees. The legislative oversight committee would be allowed to request reports and other information from the Low Level Radioactive Waste Disposal Compact Commission (Compact Commission) and TCEQ. The committee would also be required to submit a final report not later than December 1, 2018, and would be abolished December 31, 2018.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

The bill would take effect immediately upon receiving a two-thirds majority vote in both houses; otherwise, the bill would take effect September 1, 2017.

Methodology

According to the Comptroller of Public Accounts (CPA), the amount of additional revenue that would be collected and deposited to the General Revenue Fund from the 5 percent state fee that this bill implements cannot be determined due to information not being sufficient enough to determine the gross receipts from compact and federal waste received at the facility from the holder of a license for a compact waste disposal facility.

According to the CPA, lowering the surcharge for disposal of non-party compact waste from 20 percent to 10 percent of the contracted rate would decrease revenue deposited to the General Revenue-Dedicated Environmental Radiation and Perpetual Care Account No. 5158 by \$750,000 each fiscal year of the 2018-19 biennium.

Based on information provided by TCEQ and the Compact Commission, it is assumed that implementing the provisions of the bill could be accomplished using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 582 Commission on Environmental Quality

LBB Staff: UP, SD, SZ, MW, MSO

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 17, 2017

TO: Honorable Craig Estes, Chair, Senate Committee on Natural Resources & Economic Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2662** by Landgraf (Relating to the Texas Low-Level Radioactive Waste Disposal Compact waste disposal facility; reducing a surcharge; eliminating a fee.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2662, Committee Report 2nd House, Substituted: an impact of \$0 through the biennium ending August 31, 2019. In addition, the bill would have a positive, but indeterminate, fiscal impact due to the lack of information regarding future gross receipts from compact and federal waste.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from Environmental Rad & Perpetual Care 5158
2018	(\$750,000)
2019	(\$750,000)
2020	\$0
2021	\$0
2022	\$0

Fiscal Analysis

The bill would amend Texas Health and Safety Code, Chapter 401 to reduce the surcharge for nonparty compact waste disposal from 20 percent of the total contracted rate to 10 percent for the 2018-19 biennium; the rate would be increased back to 20 percent at the beginning of fiscal year 2020. A study conducted by the Texas Commission on Environmental Quality (TCEQ) would be required at least once every four years on the available volume and curie capacity of the compact waste disposal facility; current law required the same one-time study to be completed before December 1, 2016. The bill would require TCEQ to submit the first report required by the bill not later than December 1, 2020. The bill would require that 5 percent of the gross receipts from compact waste and from any future federal facility waste be deposited to the credit of the General Revenue Fund each quarter, beginning in fiscal year 2020.

The bill would amend Texas Health and Safety Code, Chapter 403 by creating a legislative oversight committee that would be required to consider and make recommendations regarding the operations and costs of the facility and the need for, and effects of, surcharges and fees. The legislative oversight committee would be allowed to request reports and other information from the Low Level Radioactive Waste Disposal Compact Commission (Compact Commission) and TCEQ. The committee would also be required to submit a final report not later than December 1, 2018, and would be abolished December 31, 2018.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

The bill would take effect immediately upon receiving a two-thirds majority vote in both houses; otherwise, the bill would take effect September 1, 2017.

Methodology

According to the Comptroller of Public Accounts (CPA), the amount of additional revenue that would be collected and deposited to the General Revenue Fund from the 5 percent state fee that this bill implements cannot be determined due to information not being sufficient enough to determine the gross receipts from compact and federal waste received at the facility from the holder of a license for a compact waste disposal facility.

According to the CPA, lowering the surcharge for disposal of non-party compact waste from 20 percent to 10 percent of the contracted rate would decrease revenue deposited to the General Revenue-Dedicated Environmental Radiation and Perpetual Care Account No. 5158 by \$750,000 each fiscal year of the 2018-19 biennium.

Based on information provided by TCEQ and the Compact Commission, it is assumed that implementing the provisions of the bill could be accomplished using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 582 Commission on Environmental Quality

LBB Staff: UP, SZ, MW, MSO

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 12, 2017

TO: Honorable Craig Estes, Chair, Senate Committee on Natural Resources & Economic Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2662** by Landgraf (Relating to the Texas Low-Level Radioactive Waste Disposal Compact waste disposal facility.), **As Engrossed**

<p>No significant fiscal implication to the State is anticipated.</p>
--

The bill would amend Texas Health and Safety Code, Section 401.208 to require the Texas Commission on Environmental Quality (TCEQ) to complete a study at least once every four years on the available volume and curie capacity of the compact waste disposal facility; current law required the same one-time study to be completed before December 1, 2016. The bill would require TCEQ to submit the first report required by the bill not later than December 1, 2020.

TCEQ indicates that the provisions of the bill could be implemented using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 535 Low-level Radioactive Waste Disposal Compact Commission, 582 Commission on Environmental Quality

LBB Staff: UP, SZ, MSO

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 19, 2017

TO: Honorable Joseph Pickett, Chair, House Committee on Environmental Regulation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2662 by Landgraf (relating to the Texas Low-Level Radioactive Waste Disposal Compact waste disposal facility.), **Committee Report 1st House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>
--

The bill would amend Texas Health and Safety Code, Chapter 401 to remove language authorizing the compact waste disposal facility license holder to collect a fee, and removing language specifying the limit, in volume and curies, on the amount of nonparty waste that the facility license holder may dispose of in total and per fiscal year. A study conducted by the Texas Commission on Environmental Quality (TCEQ) would be required at least once every four years on the available volume and curie capacity of the compact waste disposal facility; current law required the same one-time study to be completed before December 1, 2016. The bill would require TCEQ to submit the first report required by the bill not later than December 1, 2020. The bill would remove the ability of TCEQ to license the compact waste disposal facility license holder in order to dispose of federal facility waste, as the federal waste disposal facility is already licensed.

The bill would amend Texas Health and Safety Code, Chapter 403 by adding a section defining how much space, in volume and curies, is allocated as reserved for party compact radioactive waste, and how much of this allocation is reserved for compact waste generated in Vermont. This reservation would be maintained until the completion of decommissioning of all the nuclear electric generation facilities in the party state. The bill would instruct the operator of the compact facility to stop accepting waste from nonparty states when the compact facility reaches 80 percent of its as-built disposal capacity as measured by volume or curie, or until one of the party state nuclear electric generation facilities executes a contract for decommissioning, until certain construction or financial assurance actions are taken.

TCEQ and the Low-level Radioactive Waste Disposal Compact Commission indicate that the provisions of the bill could be implemented using existing resources. The Comptroller estimates that any increase in the fee revenues generated by an increase in the amount of nonparty compact waste accepted to the facility as a result of the change in limitations, or any decrease in the fee revenues from nonparty compact waste as a result of a party nuclear electric generation facility executing a contract for decommissioning, are unknown.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 535 Low-level Radioactive Waste Disposal Compact Commission, 582 Commission on Environmental Quality

LBB Staff: UP, SZ, MW, MSO

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 3, 2017

TO: Honorable Joseph Pickett, Chair, House Committee on Environmental Regulation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2662 by Landgraf (Relating to the Texas Low-Level Radioactive Waste Disposal Compact waste disposal facility.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Texas Health and Safety Code, Chapter 401 to require that low-level radioactive waste be classified using the classification system established by the Nuclear Regulatory Commission. The bill would alter the limit, in volume and curies, on the amount of nonparty compact radioactive waste that the compact waste disposal facility license holder could accept by before September 1, 2027. A study conducted by the Texas Commission on Environmental Quality (TCEQ) would be required at least once every four years on the available volume and curie capacity of the compact waste disposal facility; current law required the same one-time study to be completed before December 1, 2016. The bill would require TCEQ to submit the first report required by the bill not later than December 1, 2020. The bill would remove the ability of TCEQ to license the compact waste disposal facility license holder in order to dispose of federal facility waste, as the federal waste disposal facility is already licensed.

The bill would amend Texas Health and Safety Code, Chapter 403 by adding a section defining how much space, in volume and curies, is allocated as reserved for party compact radioactive waste, and how much of this allocation is reserved for compact waste generated in Vermont. This reservation would be maintained until the completion of decommissioning of all the nuclear electric generation facilities in the party state. The bill would instruct the operator of the compact facility to stop accepting waste from nonparty states when the compact facility reaches 90 percent of its as-built disposal capacity as measured by volume or curie until certain construction or financial assurance actions are taken.

TCEQ and the Low-level Radioactive Waste Disposal Compact Commission indicate that the provisions of the bill could be implemented using existing resources. The Comptroller estimates that any increase in the fee revenues generated by an increase in the amount of nonparty compact waste accepted to the facility as a result of the provisions of the bill are unknown.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 535 Low-level Radioactive Waste

Disposal Compact Commission, 582 Commission on Environmental
Quality

LBB Staff: UP, SZ, MW, MSO